

Exhibit 21

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2
3 UNITED STATES DISTRICT COURT
4 SOUTHERN DISTRICT OF NEW YORK

5 _____ :
6 US SECURITIES AND EXCHANGE : Civil Action No:
7 COMMISSION : 11-Civ-9645 (RJS)
8 :
9 Plaintiff :
10 :
11 -v- :
12 :
13 ELEK STRAUB :
14 ANDRAS BALOGH, and :
15 TAMAS MORVAI :
16 :
17 Defendants :
18 _____ :
19

20 DEPOSITION

21 OF

22 Marton Halasi

23 On Tuesday, January 27th 2015
24 Commencing at 1.10 pm

25 Taken at:

Budapest Courthouse
Miklos utca 2
Budapest 1035, Hungary

Reported by: Miss Pamela Henley
Job Number 89040

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1 Mr Marton Halasi
2 legal representative the witness responds.

3 MR DODGE: Mr Halasi, my name is
4 Robert Dodge. I am an attorney with the Securities
5 and Exchange Commission. I would like to thank
6 you for taking the time to be here today. I would
7 like to turn your attention, please, to
8 Exhibit 549. When you find it this is the
9 confirmation of target achievement.

10 Q. And did you testify earlier that
11 the targets were, in fact, achieved?

12 A. The actual language I used was that
13 the text herein is an almost verbatim quotation
14 from the labour code and this is what I certified.
15 I would like to make this nuance here because the
16 term "targets and achievement of targets" is --
17 are being used. I would never take the liberty to
18 say that this is something that was achieved as a
19 result of our own effort and input. There was a
20 consultation. We did what we could and all these
21 goals may have been reached without us even.

22 Q. I appreciate the clarification, my
23 question was not how the targets were achieved, I
24 was only asking whether it was correct that the
25 targets were achieved.

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2 And this is a document that only has regular
3 page numbers. It is approximately 100 pages long.

4 A. Paragraph 149, which is of
5 relevance to us.

6 Q. I am not asking about specific
7 provisions of the document, all I am going to ask
8 you is whether you can look at the document as a
9 whole and tell me if you know what it is?

10 A. Well, I suppose this is the new
11 labour code.

12 MR HILL: May I enquire is this a
13 translated version.

14 MR DODGE: I will represent to the
15 parties and to the court this is a document that
16 the SEC obtained from the public website of the
17 Government of Macedonia, and we received it on the
18 website in both English version and a Macedonian
19 version. This is not a document that we had
20 translated.

21 Q. So, Mr Halasi, can you tell me
22 whether you can identify what Exhibit 695 is?

23 A. Of course, I do not know the actual
24 contents, what is inside this document, and it is
25 not very easy to give a response after 10 years of

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1 Mr Marton Halasi

2 A. Yes, yesterday I read the labour
3 code to refresh my memory and it is fair to say,
4 yes, this is all in the labour code.

5 Q. So is it correct that the targets
6 were achieved as a result of the passage of the
7 labour law in Macedonia in 2005?

8 A. Yes. As all this is contained in
9 the labour code, and it is more favourable to our
10 business than the previous one, but it is also
11 true to say this is favourable to all other
12 businesses. So this is not a MakTel specific
13 achievement.

14 Q. I want to make sure I understand
15 correctly. Once the labour law was passed, the
16 targets were achieved, is that right?

17 A. Yes, MakTel's preferred goals are
18 achieved thereby, yes.

19 Q. By the labour law?

20 A. MakTel's preferred goals are
21 reflected and achieved in the labour code. That
22 is my answer.

23 Q. I believe you have been handed a
24 document that has been marked Exhibit 695.
25 (Exhibit 695 marked for identification)

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1 Mr Marton Halasi
2 something that I knew, but my understanding that
3 this is the labour code.

4 Q. Have you seen the Macedonian labour
5 code before?

6 A. Well, I got there in 2003, that --
7 when I started working this was my daily bread.
8 That was a working document.

9 Q. If you look at the first page of
10 Exhibit 695, on the cover, so I will direct your
11 attention on the front cover to where it says:
12 "Decree on the publication of the labour
13 relations, on the promulgation of the labour
14 relations law" and it says: "The labour relations
15 law that the assembly of the Republic of Macedonia
16 passed at the meeting held on 22nd July 2005 shall
17 be promulgated". Does that language refresh your
18 memory as to when the 2005 changes to the
19 Macedonian labour law were passed?

20 A. I presume that as of that day,
21 because before that you talk about the bill, from
22 the date of the promulgation of it, it became an
23 act.

24 Q. I recognise this is 10 years ago,
25 and I am only asking whether you have any memory

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2 that is different from this date?

3 A. Nothing specific. I do not know to
4 what else I should or could tie it to. I mean what
5 mattered to me at that time that I had another
6 year until we had to go through another wave of
7 head count reductions.

8 Q. I would like to turn your attention
9 back, please, to 549, and you testified about the
10 target achievements, do you recall that?

11 A. Yes, this seems to harmonise with
12 that because the date of the passing of the Act is
13 July 22nd, and this one is dated July 31st, 10
14 days later when this was already an effective Act.

15 Q. So would it be your understanding
16 that the targets identified in Exhibit 549 were
17 achieved on or about July 22nd, 2005?

18 A. Yes, we could say so because I can
19 even imagine that the promulgation was a couple of
20 days later after the passing of the Act itself.

21 Q. Now, I am going to change direction
22 a little bit, and I am going to ask you about a
23 series of four documents, and one at a time I will
24 ask you to take a look at them and tell me if you
25 can identify what they are, and the first is

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2 Exhibit 543?

3 A. In that?

4 Q. Yes, in that document, Exhibit 543.
5 The Bates number is MT-MAK, it looks like this
6 (indicated) Exhibit 543?

7 A. Got it.

8 Q. The number is MT-MAK 0174155.
9 Going through page 58 can you tell me what this
10 document is?

11 A. Slavitz Serafimova (?) now, I
12 recognise the name she was head of the legal
13 department. She is the Slavitz I made reference
14 to before. She reported to me.

15 Q. You recognise the document?

16 A. No. Better to say I do not
17 remember. I am just trying to figure out. It
18 could as well have been payment effected to the
19 Dimitrov law firm.

20 Q. If you look at the four pages in
21 the document (pause for reading)

22 A. Well, it seems to be our agreement
23 with the Dimitrov law firm, but the amounts that I
24 see here seem to be unrealistic to me. 1,500,000
25 Macedonian dinars. I do not remember that we

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2 would have paid such an amount, but I do not
3 remember. I cannot interpret it.

4 Q. Let me move on to something else
5 then. You testified about the work that you were
6 doing in 2005 relating to the labour code in
7 Macedonia?

8 A. Yes.

9 Q. Other than yourself, were you aware
10 of anyone else at MakTel who was doing similar
11 work on the labour code in Macedonia?

12 A. No Slavitz Serafimova, who was
13 head of the legal department and who reported to
14 me. She was present at the meetings and Georgi
15 Dimitrov, he was the consultant and president of
16 the trade union, Georgi and Slavitz, these are
17 the people I am aware of.

18 Q. Other than yourself and people
19 reporting up to you were you aware of anyone at
20 Magyar Telekom who was also working on labour law
21 issues in Macedonia?

22 A. As I already mentioned Mr Baranyai
23 reported -- almost weekly reports. So he was
24 aware of all of our concerns, all of our
25 proposals, all the solution proposed. So he

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2 followed in details. I reported to him from this
3 point of view. So I gave reports to him in this
4 point of view. But that was more like an HR
5 consultation. The relevance of this was cost. So
6 how much things would cost. But I am not aware of
7 any other legal solutions on Magyar Telekom's
8 side. And as I also mentioned that I did not have
9 any dealings with Magyar Telekom's legal
10 department.

11 Q. Given the organisation of MakTel
12 and of Magyar Telekom in 2005, if there was a
13 large consulting contract for work on the
14 Macedonian labour law would you have expected to
15 be aware of it?

16 A. I do not think so. Okay, well, if
17 I approached this issue from the point of view of
18 professional pride I would say yes. But it did
19 not happen. Or professional vanity. But it did
20 not happen. As to whether there was a document or
21 something I was not involved in anything. I did
22 not participate in negotiations. I did not
23 consult with anybody. Nobody asked for my
24 opinion.

25 Q. I am not sure if I completely